

App. F. IX-4

Previous References.

Later References.

1941.
(23.)

File No. 17-41

Serial Nos. 18, 19, 22, 23,
24, 25, 26, 27, 41,
42, 43, 45, 46, 47

PRESERVED

GENERAL AND REVENUE SECRETARIAT

Serial Nos.

14

25. (E)

Part B for File 46

SUBJECT

Amendment of Rule 21 of the Rules
under the Cooperative Societies
Act.

SL 47)

20

The Pimpri

NO 17 5991 of 14-6-44

Notifies the —

Done
10/10

3165

Serial No.

18

Letter No 10181 / C.S. dated the 27th Feb, 1942 from the Registrar of C.S. forwarding a draft rule amending rule 21 of the rules under the C.S. Act to as to debar ~~an~~ an officer from holding the office for a period of ~~three~~ years.

6.1.19-39-35
year C
7-41 (1-9)
7/4/42

The file relating to the framing of the ~~proposed~~ rule as existing, and the file relating to the necessity of framing the proposed amendment are placed below for perusal. The proposed amendment has not been placed before the Advisory Committee and their opinion obtained. Off letter to the Registrar stating that the matter may be placed before the Advisory Board and their opinion obtained and forwarded to Govt for consideration and approval is submitted for review.

6/3/42
8/3/42

1) The proposed Rule is calculated to give the Registrar very wide powers. It will empower him to remove & debar any officer of a Cooperative Society and also debar him for up to a period of three years, if such person has acted in a manner prejudicial to the Society.

It seems to be desirable that such a rule should be placed before the Advisory Committee & their views obtained. Draft is put up for consideration & approval.

OFFICE OF THE MINISTER FOR EDUCATION
Date 12-3-42
No. 4889

GENERAL SECRETARY
12 MAR 1942

NOTE—Cont. Sheet. 5410

WD/C4156—GPB—55,000—23-10-41

Genl Secy)

Edn. Minster)

15/3
31/3
12/3

2

3165/37

File No.

17

of 1941:

General and Revenue
SecretariatSerial
No.

19-



By 5315 D. 27.3.42 To The Rep. JCS
 Stels that the draft rule may be placed before the Standing Advisory
 Committee & their opinion obtained & forwarded to Jt. Secy. for the time

Letter No 49/C. dated 2-7-42 from the Registrar 32
 intimating that the Standing Advisory Committee
 who met on 29-6-42 unanimously favoured the
 amendment

b) The Standing Advisory Committee have agreed to
 the proposed amendment to the Register. The amendment
 rule has to be notified, objections called, and finally
 notified considering the objections to be received.

7) The recommendation of the Registrar is for over-ride

to the
 7/7/42

8) In the proposed Rule, the

Registrar will not only have power to
 remove or debar any officer of a Cooperative
 Society from holding any office in such society
 but ~~also~~ such person will also be not
 eligible to be an officer of another registered Society
 during the period for which the order debarring him
 is in force.

9) In the existing Rule, the word "member"
 is used instead of the term "officer", and ^{under} this
 Rule, the Registrar can order the removal of any
 member from the Managing Committee of a
 Cooperative Society. But the term "officer"
 is used in the proposed rule. Officer

8165√37

3

Serial
No.

includes a Chairman, Secretary, Treasurer, members of Committee, or other person empowered to give directions in regard to the business of the Society, as defined by Sec 2 of the C. Society Act

12) So the new rule proposed will be more comprehensive under which action can be taken against all the above-stated persons connected with a Society

11) As the Standing Advisory Committee have no objection for this ^{new} rule being introduced, it may be published and objections if any may be called for as required by Sec 44(3) of the C.S. Act

GENERAL SECRETARY

8 JULY 1942

193

Gene Secy)

8/7

12) Edn must)

8/7

13) 10-7-42

8/7

10/7

10/7

14) 10/7 note sent for order

15) The Law Secretariat may perhaps be consulted re the suitability of the ^{wording} of the rule

OFFICE OF THE MINISTER
FOR EDUCATION
Date..... 9-7-42
No..... 182

4
File No.

37 524 30 660
of 1941.

General and Revenue
Secretariat

Serial
No.

(6) If approved, the Law Section may be
consulted as regarding the suitability of the
wording of the Rule. It seems to be better to
consult them now instead of, after receiving
the objections

Genl Secy)

B

13/7/42

13 JULY 1942
333

17, done
h
13/7

B
14/7

A7391 2.20.7.42 To the Comptroller, P. & C.
Publishes the draft Rule 21 of the Rules & Calls for
objections & suggestions



A7392 Copy to the Reg. of C. & A. for info.

Encl B 400 203.42
1/8/42

Letter No 397/42-43 dated 17-8-42 from the
Honorary Secretary, Mysore Cooperative Societies
stating that the working Committee of the
Societies is not in favour of the amendment
(8) Submitted for perusal. The receipt of objections
will be awaited

B
20/8/42

(9) B
21.8.42

Letter No 455 dated the 21st August 1942
from the Hon. Secretary, Mysore Cooperative

35

Encl B file 11.00.2
21/8/42

660/5575829/1212

Bank stating their objection to the amendment of the Rule 21 and suggesting certain modifications to the rule.

Submitted for perusal 21/ Please avoid repeating all
 opinions till the end of Sept 1942 &
 then put up with a statement.

27/87-41
Ble

27

Letter No 2215 dated the 31st August 1942 from
the ~~Director~~^{Joint} Secretary, the Universities Book
Society Ltd suggesting amendments to the proposed
Letter No 2020 dated 22-9-42 from the Society
Imperial Book Trust Ltd forwarding the objectives to
the proposed rules

22) The view expressed in the Daily News and
Vishwakamata is that the Cooperative
movement is tending to become more official
in character against its principles of the
democratic nature. The Committee of the
Myore Cooperative Institute have expressed
themselves against the framing of the Rule.
The Shriwaga Cooperative Bank feel that free
wide friendly interference in the internal autonomy
of the Cooperative institutions is mischievous and
opposed to all principles of democratic
organisation. They urge the repeal of the
rule altogether. Even if the rule is considered

42

Serial
No.

essential they plead that the power should be exercised only in very exceptional circumstances and never without consulting the Committee of management of the institution concerned. They then suggest an amendment. The ~~historical~~ ^{historical} Co-operative Society ~~has~~ ^{has} the addition of the words "and substantiated" after the words "explain" in clause (c) of the proviso.

23) The Mysore Co-op. Socy point out that the Registrar would get unlimited powers under the rule, that the Socy does not get any opportunity to urge its point of view and that clause (c) of the proviso does not state who it is that can maintain the appeal it provides for; whether it is the office that is removed ~~from~~ ^{or} the institution or any other person feeling aggrieved by the Registrar's order which may be one of removal or non-removal. The Socy oppose the framing of the rule and quote the words of Mr. V. Ramaswami Parthasarathy in the matter. They feel that official interference has been not always for the good but has resulted in occasions of trouble. A statement containing the present rule, the proposed rule with the amendments suggested ~~is~~ ^{is} put up for perusal. The Registrar of Co-operative Societies may perhaps be empowered to consult on the objection raised.

General and Revenue
Secretariat

File No.

17

of 1941.

[App. F. III-2]

Serial
No.

6605750/829/1212
Amendment of Co. operative Societies
after obtaining ~~after~~
on the proposed rule ~~and~~ if necessary ~~after~~
the opinion of the Provincial ~~Co-operative~~ Conference
which is to be held on the 16th and 17th October 1942
Subd for order -- Ref para 2 of the notes
to
31/10/42

24) The Rep. of Co-operative Societies
may be requested to offer his
own remarks ^{regarding} the proposal,
after obtaining ^{the} opinion of
the for coming Provincial
Co-operative Conference, if necessary.

GENERAL SECRETARY
3 OCT. 1942
2236

Gm Secy.)

by
7.10.42

25) The views of the Rep. may
well be obtained unofficially, in the light
of the objections received & suggestions made.
I do not think there is any need to cancel
the Provincial Co-operative Conference, as the
Societies have been given opportunity to
express their views.

Edn mtrk)

by
8/10/42
by 10
8.10

OFFICE OF THE MINISTER
FOR EDUCATION
Date 14.10.42
No. 1880

15/10
11/10

8. File No.

of 194

General and Revenue
Secretariat.

Serial
No.

U.O. No. 2780-12

20-10-42

HC

Office of the Secy. of
Co-operative Societies
2 OCT.

No.

17.10.42

For forward to Govt.

By over
R. Ramaswami

Retransmitted with compliments:-

As already intimated to Government in my letter No.6883 C.S. dated 7-1-43, the relevant correspondence relating to the amendment to Rule 21 under consideration and the objections and suggestions received from the Mysore Co-operative Institute, the Shimoga Co-operative Bank, the Krishnarajendra Co-operative Society and the Mysore Co-operative Society, were placed before the Standing Advisory Committee of Co-operators at their meeting held on 28-2-1943 and after fully considering that the members of the committee agreed with me that the proposed amendment is unnecessary. They also suggested that in the existing rule 21, provision should be made for consulting the committee of the society concerned before ordering the removal of any member from the committee and to ^{clarify} ~~elucidate~~ as to who may appeal, whether the member concerned, the committee affected, or any member of the society. In the circumstances, the further consideration of the amendment may be dropped.

10212 CC note
D.D. 1943.

A

5 MAR. 1943

GENERAL SECRETARY
5 MAR 1943

Sub-Registrar

Registrar.

*

Serial
No.

1
r 12
AF
9

25) As the Registrar suggests that further consideration of the amendment may be dropped, the proposal may perhaps be accepted. The last sentence of the unofficial note of the Registrar results in the amendment of the existing rule. It is for when if the Registrar should be advised to take up the question of amending the rule in accordance with the opinion expressed by the Standing Advisory Committee.

Subs for notes.

13/12/43 NW
573/43 30) The Standing Advisory Committee of Cooperators has previously agreed to the proposed amendment of Rule 21. vide Registrar's letter dated 27.4.42. But it is now reported that the same Committee in their meeting on 28.2.43 was of the opinion that the proposed amendment was unnecessary. In view of the numerous objections received against the amendment, it may perhaps be dropped.

31) As regards the suggestion of the Standing Advisory Committee that provision should be made in the Rule for appeals, the Registrar may perhaps be asked to suggest the exact form in which an addition to the Rule may be made for making such provision, if he considers the same necessary.

Serial
No.

32/ Apparently the Registrar wants the amendment of the Rule to be dropped. The idea was which the Regr was asked to propose a suitable amendment of the Rule was to avoid the circumvention which has resorted to by tendering resignation after as happened in a concrete case. Tho' the amendment has been objected to by some of the larger societies & the Co-operative Institute it is necessary to have some safeguards against the possible evasion of the penalty by the mischievous spirit of the societies. It is strange that the present Regr should ~~also~~ suggest that the question of amending the rule be dropped. If this is agreed to the present rule becomes practically inoperative on account of the loophole of resignation, & also the possibility of the ~~re-offending~~ undesirable members getting into other societies while being debarred from one.

Serial
No.

33)

If the existing rule is to be effective it is necessary that it should be amended on the lines proposed. Except the general ground of invading the cooperator's rights by official interference there are no specific or valid objections to the proposed amendment. It is only in the extreme cases that the power is likely to be used & even then the right of appeal to Govt is conceded. The amended rule is more favourable in that the period of disqualification is limited to 3 years. It is obviously undesirable that a member debared in one society should by the period be allowed to get into another. This provision is therefore wholesome & should be retained - as otherwise the very object of the rule is defeated.

34) The amendment proposed may ~~in the~~ therefore be approved with the modification perhaps that instead of the maximum period of disqualification being 3 years it be reduced to 2 or even to one

yearly.

Minister for -

6/3

OFFICE OF THE MINISTER FOR EDUCATION	
Date.....	10.3.43
No.....	4839

35)

The term "Acting in any
manner ^{contrary} to the best interests
of the Society" is too vague and can
be construed in any way. It is
better that specific instances are
given for the removal of
the officer and that too if there
is dishonesty. The following
amendment will serve the
purpose.

6/3

36) "It shall be open to the
Registrar to order the removal
of any officer of the Society if
he is found to have acted or
acting fraudulently or been
from his post or in any way
acts prejudicially to the best
interests of the Society".

37) The Registrar may be
consulted regarding this
amendment amendment

YD
11.3.43

6/3

122 *21/12/43*
713SECRET
GENERAL SECRETARY
16 MAR 1943
6071

Submitted for orders of the Reg. may be unopposedly
referred to the Registrar of C. for remarks in the
minutes in the minutes above.

18/3/43 11/3/43 31/3/43 (Send "Secy")

16/3/43
H.D. 16/3/43
Y.S. - 16/3/43
Draft

GENERAL SECRETARY
17 MAR 1943
6164

11/3/43
Off. Secy for above

12/3/43
C. Secy

18/3/43
H.D.

19/3/43
Draft

20/3/43
H.D.

17 MAR 1943
GENERAL SECRETARY

18/3/43
Fair copy sent

22/3/43
C. Secy

22/3/43
H.D.

GENERAL SECRETARY
23 MAR 1943
6264

41. The Registrar of C.

A. 7. 5890 of 26-3-43

Requests him to furnish his opinion on the
amendment proposed above.

Revised to AF 586 dated 17-8-43

Letter No 2196/C. dated the 17th August 1943
from the Registrar C. regarding the amendment
of rule 21 as proposed by C.

46) It is seen from the proposed rule that the
Registrar C. has, under the rule, power to order the

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14

Continuation Sheet.

File No.
Current No.

of

Page.

removal of an officer of the Society. This does not entirely
fulfil the object of the removal. Even under the proposed
rule it is possible for an officer, taking note of the action that
the Dept propose to take against him, resign from the office
and his resignation accepted. At the time of taking action
he will have become ~~any~~ an ordinary member and the
Registrar will have no power to prevent the entry of such a
person again in the ~~body~~ committee or an office in the Society.
It would therefore be desirable to add the words "or the
prevention of a member from holding an office ⁱⁿ or becoming. A
member of the Committee of Management of the Society
after the words "the removal of any officer of a Society"
in the first and second line of Para 1 of the proposed rule.
It is for orders if the Registrar may be consulted if the
action proposed is necessary or if the people proposed by
him will give him sufficient power to prevent the entry
of undesirable in the committee. The other ~~steps~~ ^{steps} of
explaining the instances of his ~~unbecoming~~ ^{unbecoming} act, hearing
the Committee, presenting the objection, and the right
of appeal ^{from the} ~~and~~ acceptable. Subs for over

LF
70551187
651-62

29/10/43
The delay has
been explained
to the Assistant
Secy
4/11/43

The report of the Regr dated 17.8.43 was received in
office on 19.8.43 and the same is noted on 29.10.43
i.e. after a delay of 2 months & 9 days. The reason
furnished for the delay is that this file was
dislinked from D 1137 (which is again linked to this
file). The receipt was received in the office on
the same day, the linked file was mtd to the
Minister. The official could have obtained
the file back from the Minister's Office & worked
up the refre promptly. This has not been done.
Again the file was returned to office on 20.9.43.
At least, soon after, the refre could have been
worked up. But the file has been mtd after
one month & 9 days after the file was received
from the members office. Permission to submt
the refre. ~~after~~ after receipt of the connected file
has not also been obtained & this has occasion
ed an unnecessary delay of 2 months & 9 days.
Such affairs should be strictly avoided
in future.

I see this
repeated on more
than one file.
This is bad
now

305
5/11/43
6-1147) If approved the Registrar will be consulted on a *infra*

Dy Secy)

Joms
4/11/4348) Yes Early 4/10/43
Joms
5/10/43
Joms~~Co-operative Societies Act~~~~Co-operative Societies Act~~

Memo No 20730 of 8-11-43

Office of the Registrar of
Co-operative Societies

- 9 NOV. 1943

No. 2844

Forwarded with compliments unofficially to the
Registrar of Co-operative Societies in Mysore for favour of
replies

B. O

H. M. Sreenivasaya
6/11/43
To Deputy Secretary
by B. O. to Government

52314

Retransmitted with compliments:

50) I note below the grounds on which I considered the proposed amendment to Rule 21 (Notification No. A.F. 391/C.S. 17-41-33 dated 25th July 1942) as unnecessary, which grounds I placed before the Standing Advisory Committee and were accepted by them but which I did not insert in my unofficial note. I still hold that the existing Rule is adequate and the proposed amendment is an unnecessary encroachment on the autonomy of Co-operative institutions for the following among other reasons.

The main object in obtaining the power that the contemplated amendment proposes to vest in the Registrar is to make sure that the directorates of Co-operative Societies are kept clean of undesirable persons in the

the sense that their actions or influence are injurious to the interests of the societies. Under existing law, the byelaws of all societies generally provide for the removal by the directors of any member who acts prejudicially to the interests of the society or who brings it into disrepute etc.,. It is ordinarily to be expected that when there is such a person among the directorate, the directors would themselves take action to remove him from membership.

(1) It may happen however, that the undesirable person is too strong or influential for the committee to remove him or the committee is otherwise indifferent in the matter. Lest for these reasons they take no action and action is necessary, Rule 21 empowers the Registrar to himself remove the director. (The word 'officer' used in the Rule includes under the definition in Section 2 (e) of the Act. every director also). But further powers are sought under the proposed amendment enabling the Registrar while removing an undesirable director from the board to also debar his re-entry into it for any fixed period extending up to three years; and also where such a person is a director of more than one society to remove and debar him from the boards of other societies also while removing him from the board of directors of the particular society to the prejudice of whose interests he has been found to have acted. The obvious argument in favour of the first part of the amendment is that unless the offending director is so debarrred he may after a very short interval of his removal get into the directorate again. Against this may be stated that as often as he re-enters and continues to act prejudicially to the interests of the society so often can he be removed by the Registrar acting under the existing Rule 21; but, if on the other hand, he corrects himself after the first removal and is so popular and

and so much commands the confidence of the general body as to get re-elected there is no justification nor any good reason for preventing his re-entry into the directorate for any length of time prejudging him merely on his previous offence.

52) With regard to the second part of the proposed amendment, it is a general principle of law that a man may be penalised for any offence that he has committed and not for one he may likely commit. Because he has acted prejudicially to the interests of one society necessitating his removal from its directorate, it cannot be presumed that he will do similarly in the cases of other societies on whose directorates he is serving. If he does however and the directors of the other society also fail to take action against him, the Registrar can take separate action under Rule 21 in the case of that society too.

53) In short, it is rarely that the Registrar has to take action to remove a person from the directorate and still more rarely that a person so removed seeks and succeeds in a re-election soon after, and being re-elected continues to be objectionable; and the existing law is quite sufficient to deal with such instances if there occur any. It is not very desirable that the autonomous nature of Co-operative Societies, which are considered to be the completest form of democracy, are interfered with except when such interference is absolutely necessary in the interests of the societies themselves. Thus, while the instances which the proposed amendment contemplates and would arm the Registrar to combat are more or less hypothetical and rare and the existing law does itself give the Registrar sufficient power to meet them if and when they do arise, it seems to me unnecessary to take additional powers under the

the proposed amendment in needless violence to the democratic susceptibilities of the managements of societies as expressed by some of the leading institutions. I must add that while powers very similar to those which Rule 21 vests in the Registrar are to be found in the Co-operative laws of Bombay and Madras there is nothing in them corresponding to the proposed amendment; and that the Chandrasekhara Aiyar Committee which has not hesitated to recommend powers for departmental control of and interference in the internal management of societies wherever it has considered such interference or control necessary has nowhere in its report thought of the sort of interference contemplated by the proposed amendment.

52) The proposal for the amendment has emanated from letter No.A.F.3497/C.S. 47-41-9 dated 10-1-42 from the General Secretary to Government of Mysore to suitably revise the Rule 21 to prevent the circumvention of the Rule by any director by resigning or receipt of the notice issued to him under Rule 21. I fail to see any circumvention in the resignation. The object of Rule 21 is to rid the directorate of an undesirable person, and if the person learning that he may be removed gets out of his own accord by resigning, the object is gained and not circumvented.

53) For the above reasons, I hold that it is unnecessary to add the words "or the prevention of a member from holding an office in or becoming a member of the committee of management of the society" after the words "the removal of any officer of a society".

K. Subbanna
Registrar.

JK

713/AF.

19

General and Revenue Secretariat

File No.

17

of 1941.

[App. F. III-2

Serial No.

56

Submitted for order whether the remarks of the Revision may be accepted and the draft rule framed by him in his letter dated the 17th August 1943 be published calling for objection (57) The proposal of the Registrar 27/11/43 may be accepted
 By Secy) Joms 22/11/43

733
23/11/43

58) If the draft rule as prepared by the Registrar may now be published in the official Gazette and objections called for

59) Minister LSC)

Joms
23/11/43
Joms

11.5.
24.11.43
Joms
25/11/43

Ends with a notification
 6/12/43
 For approval
 Addl Secy)

Joms 7/12/43

60) Issued by 7/12

Joms

WD 04155-GPB-55,000-29-10-41

43rd Issue of No A.F. 3220 C.S 17-41-43 d 11-1-44
 To: the Comptroller, Mysore Gazette

TYPED
 - 9 DEC. 1943
 GEN. &

OFFICE OF THE MINISTER
 FOR L. S. G. & P. H.
 Date... 26.11.43
 No... 3290

G. H. B. B. B. B.

1000
7/12/43

NOTE—Contn. Sheet.

20

713
A.F.

File No. G.S. 17-43

of 194

General and Revenue
SecretariatSerial
No.

Letter No 23 d 9-3-44 from the Hon. Secretary
the Cooperative Federal Union Ltd, Mysore suggesting
the draft amendment Rule 21.

Letter No 727 d 10-3-44 from the Mysore
City Cooperative Housing Society Ltd, Mysore
making certain suggestion

61) The views of the above said Societies ~~may~~
~~be~~ regarding the amendment proposed are
as follows:—

1) The Federal Union Ltd Mysore has recast
the Rule as appended in the letter (Vide Flag "A").
~~There are~~ ~~There is~~ only some verbal additions without much
force or difference to the proposed amendment.

2) Secondly the Housing Society Ltd Mysore accept
the proposed amendment except a phrase "or
Contrary to the Resolution of the Board of Directors"
in lines 6 and 7 of the original amendment. (Vide Flag "X")

62) ~~It~~ It was notified that the objections
or suggestions to the proposed Rule may be sent
within two months from the date of publication
of the notification. (i.e. from 13-1-1944). The above
mentioned two suggestions are in time.

63) There is not much to be discussed further
in the matter as the proposed Rule itself is quite
comprehensive and appropriate.

64) If approved, the amendment proposed

45

46

Flag "B"

Flag "X"

Rule may perhaps be approved

at 3/41 m.
4/4

65) The objections received are meagre and ~~are~~ have not much force in them. The amendment of the rule may therefore be approved

Adl Secy)

Amo
10/4/44

66) The file may be sent as officially to the Regr CS. for remarks on the objections and suggestions received

4
11/1/44

Amo

Pages 50 + 4 extra Pages

67) ~~240 No 228~~ 14-4-44

(unofficially)

Forwarded with compliments to the Registrar of Co-operative Societies in Mysore, Bangalore, for forwarding his remarks on the objections and suggestions received.

By order

H. M. Sreenivasulu

14/3/44

For Additional Secretary to Government

MU 12/4/44

10 973 ea

2614144

68)

Retransmitted with compliments:

The Mysore Co-operative Housing Society's objection to the phrase "or contrary to the resolution of the Board of Directors" in the first para of the draft rule is based on a misapprehension that a committee member dissenting bonafide, from the resolution of the majority committee may be proceeded against under the rule. This is fallacious in as much as proceedings under this rule are contemplated only when the acts of the member are prejudicial to the best interests of the society.

4
27/4
Amo

3322
10/4

Office of the Registrar of
Co-operative Societies

No. 10/4/44

No. 10/4/44

H.C. MU 13/4

Society.

(69) The Co-operative Federal Union's small additions to the rule are similarly unnecessary. 'knowledge' is imputed when the person is found to have acted or to be acting fraudulently or with gross negligence. The insertion of the words "against the interest of the society" is unnecessary as the entire rule is for preventing acts prejudicial to the society's interests.

70) The following minor change appears to be necessary. In the first para "the Board of Directors" is referred to and in the second para "The committee of the society" is referred. It is necessary to adopt the same phraseology. The rule may therefore be approved as follows:-

71) It shall be open to the Registrar to order the removal of any officer or a society if he is found to have acted or to be acting fraudulently or with gross negligence or in contravention of the byelaws, and subsidiary rules of the society or without the sanction of the committee of management when such sanction is necessary or contrary to the resolution of the committee of management or against the lawful written ^{order} words issued under the provisions of the Mysore Cooperative Societies Act and Rules thereunder or in any way acts prejudicially to the best interests of the society.

72) Provided that (a) the Registrar shall give such officer a full opportunity to explain his conduct; (b) the committee of management of the society concerned shall also be heard or given a reasonable opportunity of being heard in the matter; (c) the objection to the continuance of such officer shall be recorded in full and communicated to the committee of the society and the officer concerned; and (d) an appeal from the officer affected

in any way -
prejudicial to the
best interests of the society

"An appeal by the officer"

affected shall lie to Government within one month from the date of receipt of such order of the Registrar by him.

M. V. Venkatarathnam
Registrar.

Involving reference to para 66 of the notes above,

73) The Registrar of C.S., has stated that the amendment of Rule 21 of the Rules under M.C.S. Act may be approved and it is necessary to adopt the same phrasing with a slight alteration as per para 70 above.

74) The Rule may ^{now} perhaps be approved as recast in paras 71 and 72 above.

Submitted for orders.

GL Secy)

Johns
21/5/44

75) May be approved

M. V. Venkatarathnam
Law Secy)

W/S

76) The draft may be approved subject to the following 2 verbal changes:

For the words "or in any way acts prejudicially to the best interests of the society", the words "or in any way prejudicial to the best interests of the society" may be substituted or the words "is found to have acted or to be acting" occurring earlier given all the subsequent clauses.

2. For the words "an appeal from the Officer" the words "an appeal by the Officer" may be substituted.

Law Secy)

Johns
26.5.44

OFFICE OF THE REGISTRAR
FJRL S G & P H.
Date 13.5.44
No. 7897

C.S. 17-41

713
A.F.

~~713~~
~~A.F.~~
~~16~~

~~16~~
1.00

24

77) Draft Notification after incorporating changes suggested in para 76 above is put up for approval

25/5 The Connected file has been linked to this file

CAm
29/5

A draft of a Notification is held for approval
(Al Secy)

1mm
29/5/44

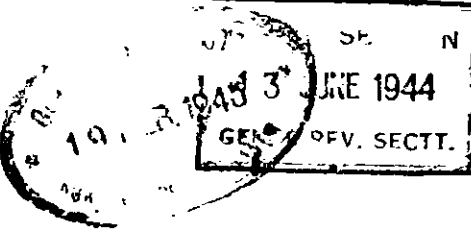
by
27/5

Issue
1mm
31/5/44

File Re: Gu Malleswaram
C.S. D. No 4872 has been
dislinked
24/12/4

Issue Notification No A.F. 5991 C.S. 17-41-47
2.14.6-1944

B
162-46



GOVERNMENT OF MYSORE.

3165

No. 10181. C.S.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

Enc.

~~SECRET~~

Dated Bangalore, 27th February 1942.

From

M. Abdul Hukh, Esqr., B.A.,
Registrar of Co-operative Societies
in Mysore, Bangalore.

C-817-4-18



GENERAL SECRETARY
28 FEB. 1942

J. Appaji Gowda, Esqr., B.A. (Hons),
General Secretary to Government
of Mysore, Bangalore

Sir,

Adverting to correspondence ending with your letter

B No. A.F.3497/C.S. 7-41-9 dated 10th January 1942, in the matter of suitably amending or revising Rule 21 of the Mysore Co-operative Societies Rules, I have the honour to state that the said Rule 21 may be revised as follows for reasons already furnished by me.

["21 (1) Notwithstanding anything contained in these Rules or the bye-laws of a Society, the Registrar may by an order in writing, remove any officer of a Co-operative Society from his office and also disqualify or debar him from holding any office in the society for such period not exceeding three years as he may deem necessary, if he is satisfied that such officer has acted in any manner contrary to the best interests of the society and his removal or disqualification or debarment appears to him to be necessary or desirable in the interest of such society.

Provided (a) the Registrar shall give such officer a full opportunity to explain his conduct; (b) the objection to the continuance of such officer shall be recorded in full and communicated to the society and to the officer concerned; and (c) an appeal shall lie to Government within one month from the date of receipt of such order of the Registrar by the officer and

and the society concerned.

(2) Any person against whom an order is passed under clause (1) of this section shall not be eligible to be an officer of another registered society in Mysore during the period for which the order is in force."]

I may add that in Bombay the following Rule which is more drastic is in force.

"48-A (1) Notwithstanding anything contained in these Rules or the bye-laws of a society, the Registrar may by an order in writing, require a society to expel any member or to remove any officer from his office within such time as he may specify in such order, if such expulsion or removal appears to him to be necessary or desirable in the interest of the society.

(2) If such society fails to comply with such order within the time specified therein, the Registrar may, after giving the society an opportunity of being heard, and consulting the Bank, if any, financing it, issue an order expelling the said member from the society or removing the said officer from his office and the said member or the said officer shall be deemed to have been expelled from the society or removed from his office from the date of such order."

In the interests of good management of the societies, I recommend that Rule 21 of the Mysore Co-operative Societies Rules may be revised as proposed by me above.

I have the honour to be,
Sir,
Your most obedient servant,



R e g i s t r a r .

h.

jsp.26/2.

SUBJECT

Section *65*File No. *1741*Serial No. *19*

Diary No. of letter replied to.....

No. *A 7 5315*

To

The Registrar of CS

General and Revenue Secretariat

()
the 193 .Date of issue.....*27-2-42*.....Signed by*Mr. J. A.*.....

List of enclosures.....

Copied by*for 24/3 J. A. to all*.....

Examined by.....

Sir

With reference to your letter No 10181/c
dated the 27th Feb 1942 re the
provision
~~provision~~ of Rule 21 of the Rules
under the C.A. Act, I am directed
to state that the draft rules may be
placed before the Standing Advisory
Committee and their opinion obtained
and forwarded ~~to you~~ with your
remarks thereon for the consideration
and order of Govt.

I wish to add that in all such
matters the opinion of the Standing
Advisory Committee may be obtained
and a recommendation made to
Govt. ~~with your remarks thereon~~

I have etc

to
for 24/3
17/3/42

GOVERNMENT OF MYSORE

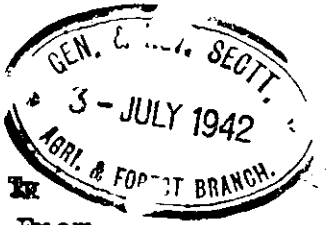
Telegraphic
Address

OFFICE OF

the Registrar of Co-operative Societies
in Mysore.

No. 49cs.
Encls.

C.S. 17-41-32



Date 2nd July 1942.

ENDORSEMENT

From

M. Abdul Hukh, Esq., B.A.,
Registrar of Co-operative Societies
in Mysore, Bangalore.

GENERAL SECRETARY
3 JULY 1942

J. Appaji Gowda, Esq., B.A., (Hons),
General Secretary to the Government
of Mysore, Bangalore.

Sir, ✓

With reference to your letter No.A.F.5315/C.S.17-41-19 dated 27th March 1942 requesting that the draft of the amendment to Rule 21 of the Rules under the Mysore Co-operative Societies Act may be placed before the Standing Advisory Committee of Co-operators and their opinion obtained and forwarded to Government and in continuation of my letter No.14014/C.S.dated 12th June 1942 on the same subject, I have the honour to state that the proposed draft rule was placed before the Committee at their third meeting held on 29-6-1942 and the members were unanimously of opinion that the proposed draft rule was necessary to avoid the circumvention which is resorted to by tendering the resignation soon after the notice and that it may be substituted for the existing rule.

I have the honour 'to be,
Sir,
Your most obedient servant,

M. Abdul Hukh
Registrar.

SUBJECT.....

Section *bs*

File No. 17-41

Serial No. 33

Diary No. of letter replied to.....

No. *A7391*Notification

General and Revenue Secretariat

()
the 19 .

Date of issue.....

20-7-42

Signed by

*Mr J A G.**submitted in lieu of the
existing rule*

List of enclosures.....

Copied by

Examined by

In exercise of the powers vested in them under Section 44(2)(g) of the Mysore Co-operative Societies Act VII of 1918 as amended from time to time, the Govt of M. S., the Rajawade of Mysore are pleased to publish ^{below} for general information, the draft of a ~~revised~~ rule 21 of the Rules under the aforesaid Act ^{as proposed to be ~~revised~~ and} in regard to the removal etc of an officer of a Co-operative Society from his office.

Any objection or suggestion to the proposed ~~revised~~ rule may be sent in writing to the General Secretary to Govt

within two months from the date of publication

of this notification in the Mysore Gazette after which it
~~the revised rule~~ will be taken up for consideration.

Any objection ^{or suggestion} received after that date

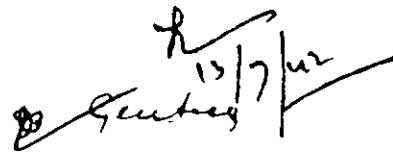
will not receive consideration.

~~Rule 21, as proposed to be revised~~

(Here enter the portion marked in brackets

in red ink in the P. V.D.)

B. O

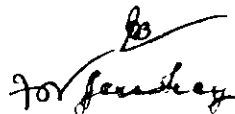

13/7/42

To the Compiler Mysore Gazette for publication
in Part IV of the Gazette in English and Kannada
with the request that 50 copies of ^{each of} the notification
may be sent to the District G.O. and 25 each
to this office

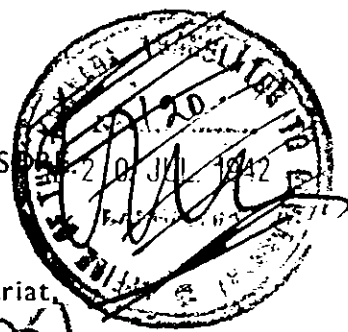
Memo A.F. 392 D. 20-7-42
Copy of the above is forwarded with

Compliments to the District G.O. for information

R. O


for forwarding





No.

A 7391

General and Revenue Secretariat,

C 817-41-33

Dated Bangalore. 20th July 1942.

NOTIFICATION.

In exercise of the powers vested in them under Section 44(2)(g) of the Mysore Co-operative Societies Act VII of 1938 as amended from time to time, the Government of His Highness the Maharaja of Mysore are pleased to publish below for general information, the Draft rule 21 of the rules under the aforesaid Act as proposed to be revised and substituted in lieu of the existing rule in regard to the removal, etc., of an officer of a co-operative society from his office.

Any objection or suggestion to the proposed rule may be sent in writing to the General Secretary to Government within two months from the date of publication of this notification in the Mysore Gazette after which it will be taken up for consideration.

Any objection or suggestion received after that date will not receive consideration.

2. (1) Notwithstanding anything contained in these rules or the bye-laws of a society, the Registrar may, by an order in writing, remove any officer of a co-operative society from his office and also disqualify or debar him from holding any office in the society for such period not exceeding three years as he may deem necessary, if he is satisfied that such officer has acted in any manner contrary to the best interests of the society and his removal or disqualification or debarment appears to him to be necessary or desirable in the interests of such society.

Provided (a) the Registrar shall give such officer a full opportunity to explain his conduct; (b) the objection to the continuance of such officer shall be recorded in full and communicated to the society and to the officer concerned; and

(c) an appeal shall lie to Government within one month from the date of receipt of such order of the Registrar by the officer and the Society concerned.

(2) Any person against whom an order is passed under clause (1) of this section shall not be eligible to be an officer of another registered society in Mysore during the period for which the order is in force.

By Order

(sd) J. Anand. Rao

General Secretary to Government.

To

The Compiler, Mysore Gazette, for publication in Part IV of the Gazette in English and Kannada with the request that 50 copies of each of the Notification may be sent to the Registrar of Co-operative Societies and 25 each to this office.

Agg/12.

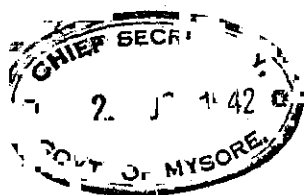
Memo No. A.F. 392

Dated 20th July 1942.

Copy of the above is forwarded with compliments to the Registrar of CO-operative Societies in Mysore, for information.

By Order,

(sd) 
For General Secretary to Government.



Daily News July 31-1942

529

A7.

LETTER TO THE EDITOR

Officialdom in Co-operation

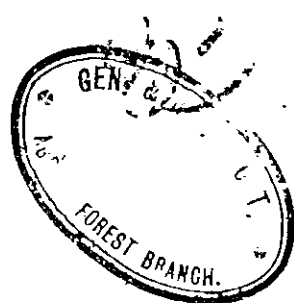
Sir,

Power is now sought to be given to the Registrar of Co-operative Societies in Mysore to remove any office-bearer of any Co-operative Society from office, if he is satisfied that such a course is necessary, of course, after giving him notice. This is yet another step thought of by the Government to make co-operation too much official-ridden. The Co-operative Regulation and the Rules thereunder contain measures to check such un-warranted acts. There are other rules made from time to time to curtail further the powers of the non-officials in the Movement. Power under 6(c) curtailing the powers of a Member to be in more Societies than one, under 6 (d) prohibiting him from being on more Directorate than one, taking away the powers of electing their own auditors and imposing one from the Department, etc., are already imposed. Added to all these comes the contemplated measure. Which non-official would like to work under such humiliating circumstances, I fail to see. Co-operative Movement is a democratic movement thought of by its authors to be solely manned and governed by non-officials. It has on this basis worked in the western countries. In India it is the other way about. It is not working on the true Co-operative basis, as it is too much official-ridden.

Objection is called for for this measure. I request everyone interested in the Movement to protest against it both in the Press and on the platform. The matter may also be agitated in the coming Co-operative Conference.

Yours etc.

T. S. Rajagopal Iyengar,
Mysore.



Submitted for perusal
Chief Secretary

21/7

JMV

Sm. P.

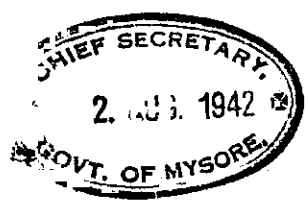
11/7

2/8 QB

37/523



530
A82



ಹಾಗೆಯೇ "ಕೋ-ಆಪರೇಟಿವ್ ಸೊಸೈಟಿ" ಗಳು. ಸಹಕಾರಿ ಶಾಖೆ ಸ್ಥಾಪನೆಯಾದಾಗ "ಕ್ರಮ ಕ್ರಮವಾಗಿ ಸಹಕಾರವನ್ನೆಲ್ಲ ಸಾರ್ವಜನಿಕರ ಯಾಜಮಾನ್ಯಕ್ಕೆ ಬಿಟ್ಟುಬಿಡಬೇಕು" ಎಂಬ ಛಾಪನೆ ಇತ್ತು. ಆದರೆ ಕ್ರಮ ಹೆಚ್ಚು ಛಾಪನೆ ಹೋಯಿತು: ಅಧಿಕಾರ ಪ್ರಾಬಲ್ಯವೇ ಹೆಚ್ಚಿತು. ಸಾರ್ವಜನಿಕ ಹಕ್ಕುಗಳನ್ನು ಒಂದೊಂದಾಗಿ ಕಿತ್ತುಕೊಳ್ಳುತ್ತಾ ಬಂದರು.

೧ ಯಾರೂ ಎರಡು ಸಹಕಾರ ಸಂಘಗಳಲ್ಲಿ ಸದಸ್ಯರಾಗಿರಬಾರದು.

೨. ಯಾಕೆಂಬುದೂ ಎರಡುಕಡೆ ಡೈರೆಕ್ಟರುಗಳಾಗಿರಬಾರದು.

೩. ಸಂಘಗಳೇ ಅಡಿಪರನ್ನು ಚುನಾಯಿಸುವ ಅಧಿಕಾರ ಹೋಯಿತು. ಸಹಕಾರ ಶಾಖೆಯವರೇ ಒಬ್ಬರನ್ನು ನೇಮಿಸುತ್ತಾರೆ. ಹೀಗೆ ಒಂದೊಂದಾಗಿ ವಿಧಿಗಳನ್ನು ಮಾಡುತ್ತಾ ಬರುತ್ತಿದ್ದಾರೆ.

* * * ಈಗ ಇನ್ನೊಂದು ಮಾಡುವ ಯೋಜನೆ ನಡೆಯುತ್ತಿರುವ ಹಾಗಿದೆ. ಯಾವ ಸಹಕಾರ ಸಂಘದ ಅಧಿಕಾರಗಳನ್ನೇ ಆಗಲಿ ಸಹಕಾರ ಸಂಘಗಳ 'ರಿಜಿಸ್ಟ್ರಾರ್' ರವರು ಕಿತ್ತುಹಾಕಬಹುದು. ರಿಜಿಸ್ಟ್ರಾರರ ಅಭಿಪ್ರಾಯದಲ್ಲಿ ಇಂತಹ ಅಧಿಕಾರಿಯನ್ನು ತೆಗೆದುಹಾಕಬೇಕೆಂಬುದು ನಿರ್ಧರವಾದರೆ ಆಗಿಹೋಯಿತು. ತೆಗೆದುಹಾಕುವುದಕ್ಕೆ ಮೊದಲು "ನೋಟೀಸ್" ಕೊಟ್ಟುಬಿಡುವ ನಂಬೋಣ.

ಸಹಕಾರ ಸಂಘಗಳನ್ನೆಲ್ಲ ಶುಷ್ಕ ಸರಕಾರ ಸಂಸ್ಥೆಗಳನ್ನಾಗಿ ಮಾಡುತ್ತ ಬಂದರೆ ಇಂತಹ ಸಂಸ್ಥೆಗಳಿಗೆ ಆತ್ಮಗೌರವವುಳ್ಳ ಸಾರ್ವಜನಿಕರು ಯಾರುತಾನೆ ಬಂದಾರು?

'Viswakarnataka', 30-7-1942.

The "Viswakarnataka" complains of a tightening of official control on the working of the Co-operative Societies in the State.

Submitted.

Chief Secretary).

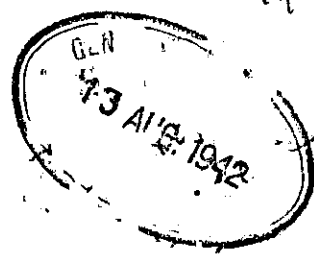
1/8/42

Handwritten signatures and initials, including a large signature and the date 7/8.

Enc.

From the contents will be kept in the file and will be taken into consideration as the receipt of objections received by

(placed below)



Handwritten signature and the number 12/8.

38 530 ✓ 660
A7
The Mysore Co-operative Institute

NO. 1 HARDINGE ROAD, CHAMARAJPET

BANGALORE CITY.

397/mr. us
C.S. 17-41-34 Dated 17th August 1942

To,

The General Secretary
to Government of Mysore,
Bangalore.



GENERAL SECRETARY
19 AUG. 1942
CS

Sir,

With reference to the Gazette Notification No. A.F.391-C.S. 17-41-33, dated the 20th July 1942 in the matter of amendment to Rule 21 of the Rules under the Mysore Co-operative Societies Act, I have the honour to note below the opinion of the Working Committee of the Institute as resolved at their meeting held on Sunday the 16th August 1942:

"The Working Committee of the Institute is not in favour of the proposed amendment."

I have the honour to be,
Sir,
Your most obedient servant,

Prithvi Narayan
Honorary Secretary.

9

750
A 71.

THE SHIMOGA CO-OPERATIVE BANK, LTD.,

All communications to be
addressed to the
HONORARY SECRETARY.

C.S. 17-41-35
SHIMOGA,
21st August 1942.

Ref. No. 455



GENERAL
25 AUG. 1942
ST. P. K.

The Secretary to Government,
General Department,
Bangalore.

Sir,

Regarding No.A.F.391-C.S.17-41-33 dated Bangalore & the 20th July 1942 published on page 459 of the Mysore Gazette Part IV of July 23, 1942 calling for objections to draft rule 21 of the rules under the Mysore Co-operative Societies Act VII of 1918, I have the honour to state that the matter was considered by the Committee of Management of the Bank.

I

They are of opinion that in the interests of the growth and development of the Co-operative Movement in the State, the vesting (in the Registrar) & of such wide powers of interference in the internal autonomy of the co-operative institutions is mischievous and opposed to all principles of democratic organizations. They would therefore urge the repeal of the rule altogether.

II
If, however, the existence and continuance of such a rule is considered absolutely essential, it should be made clear that such power should be exercised only in very exceptional circumstances and never without consulting the Committee of Management of the institution

37 concerned. To this end, (1) the following may be inserted as Proviso (c)

"action will be taken by the Registrar only after the Committee of Management of the institution concerned has been fully consulted":

(2) the ~~present~~ proviso (c) ^{in the draft rule} will be put as proviso (d).

I have the honour to be,

Sir,

Your most obedient servant,



Hon. Secretary.

64

829
A7

Sree Krishnarajendra Co-operative Society., Ltd.,
VANIVILASA MARKET CIRCLE, MYSORE.

No. 228.
Encls. one.

C.S. 17-41-36

Dated 30th August 1942

GENF. To

The General Secretary
to The Government of Mysore,
BANGALORE.



CS.
Sir,

Re: Notification No.A.F.391-C.S.
17-41-33, dated Bangalore, the
20th July 1942.

With reference to the above I have the
honour to enclose herewith a copy of the
amendment to the proposed rule.

I have the honour to be
Sir,
Your most obedient servant,
M.N. Krishnaraj
Honorary Secretary.

csc.

LEGISLATIVE MEASURES AND RULES THEREUNDER

Mysore Gaxettee Dated 23-7-42

No.A.F.391-C.S.17-41-33, dated Bangalore, the 20th July, 1942.

In exercise of the powers vested in them under section 44(2) (g) of the Mysore Co-operative Societies Act VII of 1918, as amended from time to time, the Government of His Highness the Maharaja of Mysore are pleased to publish below for general information, the draft rule 21 of the rules under the aforesaid Act as proposed to be revised and substituted in lieu of the existing rule in regard to the removal, etc., of an officer of a Co-operative Society from his office.

Any objection or suggestion to the proposed rule may be sent in writing to the General Secretary To Government within two months from the date of publication of this notification in the Mysore Gaxettee, after which it will be taken up for consideration.

Any objection or suggestion received after that date will not receive consideration.

"21. (1) Notwithstanding anything contained in these rules or the bye-laws of a Society, the Registrar may, by an order in writing, remove any officer of a Co-operative Society from his office and also disqualify or debar him from holding any office in the society for such period not exceeding three years as he may deem necessary, if he is satisfied that such officer has acted in any manner contrary to the best interests of the Society and his removal or disqualification or debarment appears to him to be necessary or desirable in the interests of such society:

Provided (a) the Registrar shall give such officer a full opportunity to explain and substantiate his conduct; (b) the objection to the continuance of such officer shall be recorded in full and communicated to the society and to the officer concerned; and (c) an appeal shall lie to Government within one month from the date of receipt of such order of the Registrar by the officer and the society concerned.

(2) Any person against whom an order is passed under clause (1) of this section shall not be eligible to be an officer of another registered society in Mysore during the period for which the order is in force."

M. N. Krishnarajendra
GOVERNMENT SECRETARY
SRI KRISHNARAJENDRA
CO-OPERATIVE SOCIETY LTD. MYSORE

1212

The Mysore Co-operative Society Ltd.

(ESTD-1906)

IN REPLY PLEASE QUOTE

NO. 2020

GANDHI SQUARE

Mysore 22nd Sep 1942

The General Secretary,
to the Government of H.H. the Maharaja of
Mysore,
Bangalore. CS. 17-41-39

24 SEP 1942

Sir,

I have the honour to forward herewith for kind consideration of the Government objections to their proposal to frame as a rule under the Co-operative Societies' Act the draft notified in notification No. A.P. 391-C.A. 17-41-33 dated 20-7-1942.

I have the honour to be
sir

Your most obedient servant,

S. Chinnarasimhaiah
Honorary Secretary.

MRG.

~~that~~ The draft of the rule now proposed is to the effect that the Registrar would be empowered to direct any of the Office Bearers of a Co-operative Society to be removed from Office and disqualifying him from holding any office in any society for a maximum period of three years on being satisfied that such Officer has acted contrary to the best interests of the society and his removal or disqualification is necessary or desirable in the interests of the society. The Registrar would get unlimited powers indeed under the rule.

It is only the officer concerned that would get a chance to have a say in explaining his conduct before the Registrar. The society concerned comes nowhere in the picture and the rule does not give it any opportunity to urge its point of view in the matter.

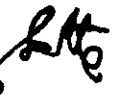
Clause (c) of the proviso does not state who it is that can maintain the appeal it provides for; whether it is the officer that is removed or the institution or any other person feeling aggrieved by the Registrar's orders which may be one of ~~the~~ removal or non-removal.

There is neither justification nor necessity for enacting this rule. Even under the present law the Registrar has in appropriate cases power to interfere in the affairs of Co-operative Societies and take action for the purpose of rehabilitating the confidence of the public in the Directorate of any co-operative Institution. Why there should be an attempt for getting additional power is not clear.

Co-operative Institutions, even as per the present conditions, are being subjected to considerable official supervision and interference. It is unfortunate that official interference has not always been for the good and there are occasions on which more trouble than good has resulted therefrom. The Co-operative societies may as well be left to manage their affairs with no super-imposing external interference. In this connection the wholesome advice of the veteran co-operator Mr. V. Ramadas Panthalu: " So long as the responsibility for the proper working of the institutions is laid on the shoulders of non-officials and vast and detailed power of direction and ~~xxx~~ control over the movement are vested in the official agency I feel that there is no ^{genuine} scope for non-official initiative ~~agency~~ enterprise in co-operation" should be considered as the weightiest argument against the ~~proposed~~ enacting of the rule in question.

42 At a time ~~when~~ when the non-official element is being given more and more power in all the affairs of the State and official control is being relaxed, the enactment of the rule now proposed would certainly militate against the policy wisely laid down and adopted in all democratic countries throughout the world.

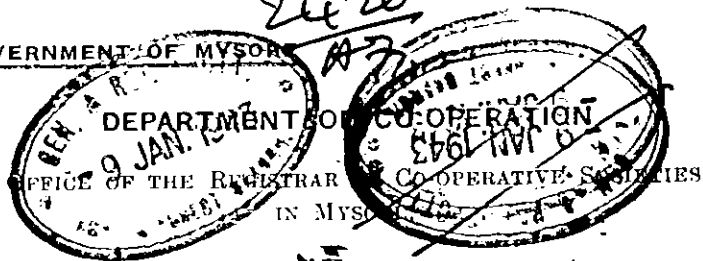
MRG.

S. Chinnamony 
Honorary Secretary.

No. 6883 C. S.

Telegraphic Address :
"CO-OPERT"
Bangalore.

2420
A3
GOVERNMENT OF MYSORE



Dated Bangalore, 7 January, 1943.

FROM

K. Subba Rao, Esqr., B.A., LL.B.,

~~XXXXXXXXXXXXXXXXXXXX~~

—Registrar of Co-operative Societies in Mysore,

BANGALORE.

GENERAL SECRETARY
8 JAN. 1943

N. Madhava Rao, Esqr., B.A.,
General Secretary to Government,
Bangalore.

Sir,

Re: Amendment of Rule 21 of the
Mysore Co-operative Societies Rules.

With reference to G.O. No.A.F. 81 dated 20-10-42 forwarding for remarks on the objection received relating to the above, I have the honour to state that, as I hold the view that the existing laws give an adequate power to the Registrar and Government to clean the Boards of management of Co-operative Societies of harmful elements and the proposed amendment needlessly further

P.T.O

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CG. 17-48-41
No. AF. 5390 *us*

To

The Registrar of Co-operative Societies
in Mysore, Bangalore.

Sir,

Date: - 26th Mar 43

Signed by: - Jax H. M. S.

With reference to the correspondence ending with your unofficial Note No. 10212 dated 3rd March 1943 regarding the amendment of Rule 21 of the Rules under the Co-operative Societies Act, I am directed to state that the words "acting in any manner contrary to the best interests of the Society" in the draft amendment^{are} proposed ~~is~~ too vague and can be construed in any way. Government consider it desirable to make ^{it} ~~this~~ more specific by substituting for these words more definite instances of conduct including dishonesty, justifying action being taken under the rule. ~~It is accordingly proposed to adopt~~ ^{make} The following modification^{is proposed to be made} in the draft amendment:

"It shall be open to the Registrar to order the removal of any officer of the Society if he is found to have acted or to be acting fraudulently or with gross negligence or in any way acts prejudicially to the best interests of the society.....".

I am directed to request you kindly to furnish your opinion on the amendment proposed above.

I have etc.

General Secy. to Govt.

knns.1

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. *A.F. 5390/cs 17-41-41*

Dated, Bangalore, *26th March 1943*

From

Ub
The Secretary to the Government of His Highness the Maharaja of Mysore,
General ~~xxx~~ Law Department.

To

The Registrar of Co-operative Societies in Mysore,
Bangalore.

Sir,

With reference to the correspondence ending with your unofficial Note No.10212 dated 3rd March 1943, regarding the amendment of Rule 21 of the Rules under the Co-operative Societies Act, I am directed to state that the words "acting in any manner contrary to the best interests of the Society" in the draft amendment proposed are too vague and can be construed in any way. Government consider it desirable to make it more specific by substituting for these words more definite instances of conduct including dishonesty, justifying action being taken under the rule. The following modification is proposed to be made in the draft amendment:-

"It shall be open to the Registrar to order the removal of any officer of the Society if he is found to have acted or to be acting fraudulently or with gross negligence or in any way acts prejudicially to the best interests of the society"

I am directed to request you kindly to furnish your opinion on the amendment proposed above.

I have the honour to be,

Sir,

Your most obedient servant,

5ft) . *10ms*
24.3.43
Secretary to Government,
General Department.

K.M.R.2.

GOVERNMENT OF MYSORE

Tele gram
phoneNo. 2196cs.
Encls.

OFFICE OF

The Registrar of Co-operative
Societies in Mysore,
Bangalore.

Date 17th August 1943.



To

Safi Darashah, Esq., B.A.,

General Secretary to Government,
Bangalore.GENERAL SECRETARY
18 AUG. 1943

Sir,

Subject: Amendment of Rule 21 of the M.C.S. Rules.

With reference to your letter No.A.F.5390/C.S.17-41-41 dated 26th March 1943 observing that the words "acting in any manner contrary to the best interests of the society" are too vague and that it is desirable to make it more specific by substituting for the said words more definite instances of conduct including dishonesty justifying action being taken under the rule, and proposing a modification in the draft amendment, I have the honour to state that it is certainly desirable to make the meaning of the term "acting in any manner contrary to the best interests of the society" more clear and specific by giving instances of such prejudicial acts. It is also necessary that provision should be made in the rule for consulting the committee of the society concerned, before ordering the removal and to clarify as to who may appeal, the committee person the committee affected or any member of the society. I therefore suggest that the Rule may be recast as follows:

"It shall be open to the Registrar to order the removal of any officer of a society if he is found to have acted or to be acting fraudulently or with gross negligence or in contravention of the byelaws, and subsidiary rules of the society or without the sanction of the Board of Directors where such sanction is necessary, or contrary to the resolution of the Board of Directors or against the lawful written orders issued under the provisions of the M.C.S. Act and Rules thereunder, or in any way acts prejudicially to the best interests of the society:

Provided that (a) the Registrar shall give such officer a full opportunity to explain his conduct; (b) the committee of the society concerned, shall also be heard or given a reasonable opportunity of being heard in the matter; (c) the objection to the continuance of such officer shall be recorded in full and communicated to the committee of the society and the officer concerned; and (d) an appeal from the officer affected shall lie to Government within one month from the date of receipt of such order of the Registrar by him".

I have the honour to be,
Sir,
Your most obedient servant,

K. Subbarao

Registrar

Kv.

SUBJECT.....

Section *bs*File No. *17-41*Serial No. *43*

Diary No. of letter replied to.....

No. *AF-3220*Notification

General and Revenue Secretariat

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the 19 .

Date of issue *11/1/44*Signed by *Gen. A.M.S.*

In exercise of the powers vested in them under Section 44(2)(g) of the Co-op Societies Act VII of 1918 as amended from time to time, the Govt of Madras hereby gives notice that the undersigned are pleased to publish below for general information the copy of ^{new} rule 21 of the rules under the aforesaid Act in regard to the removal of an officer or a Co-op Societ from his office.

List of enclosures.....

Copied by *17/11/43*

Examined by.....

Any objection or suggestion to the proposed rule may be sent in writing to the undersigned within two months.

from ⁴⁸ the date of publication of this
notification in the Times Gazette and
which it will be taken up for consideration

Any objection or suggestion received after that
date will not receive consideration

(Here enter the portion inserted in brackets
in red ink in the P. O. D.)

B. O

⁴⁹
For the Candidate's request for the publication
in Part IV of the Gazette in English and Kannada
with the request that 50 copies of each of the
papers may be sent to the Registrar of the
50 copies to this office.

Memorandum No. A.F. 3221 D 11/11/44.

Copy of the above is forwarded with request
to the Registrar of the for information

B. O

10/11/44

- For A. S. L. G.

10/11/44

THE CO-OPERATIVE FEDERAL UNION, LTD., MYSORE.

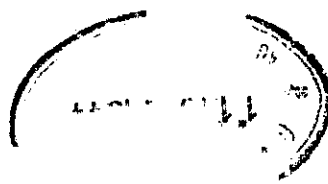
(Regd. No. 422 A.R.M. Dated 10-1-34)

No. 23 Enc 1.

MYSORE,

Dated 9th March 1944.4964
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From

THE HON. SECRETARY,
The Co-operative Federal Union, Ltd.,
Mysore.

To

The Additional Secretary
To the Government of Mysore,
Public Offices,
B a n g a l o r e.

Sir,

With reference to the draft amendment to Rule 21 of the Rules under the Mysore Co-operative Societies Act published in the Gazette dated 13th January 1944, the Co-operative Federal Union Ltd., Mysore, has recast the Rule as appended herewith. The draft was considered to be too general in its terms as it would make even ignorant or ~~un~~ unintentional deviation from Bye-laws, Rules, and resolutions of the Board of Directors, come within the operation of the rule. It is felt that fraud or negligence if any should be against the interests of the Society as otherwise any negligence even when it does not prejudice the Society may come under this rule if the draft as it is published is passed.

I remain,
Sir,
Yours faithfully,

J. V. Ranga Rao
Honorary Secretary.

THE CO-OPERATIVE FEDERAL UNION, LTD., MYSORE.

(Regd. No. 422 A.R.M. Dated 10-1-34)

No. ~~Enclosure~~ 23.

MYSORE.

Dated 9th March, 1944.

Draft of Amended Rule 21 as ~~revised~~⁵⁰ by
the Cooperative Federal Union Ltd., Mysore.

["It shall be open to the Registrar to order the removal of any officer of ^a ~~any~~ Society if he is found knowingly to have acted or to be acting fraudulently or with gross negligence against the interest of the Society, in contravention of the Bye-laws, Subsidiary Rules, or the Resolution of the Board of Directors of the Society, or without the sanction of the Board of Directors when such sanction is necessary, or knowingly and fraudulently against the lawful written orders issued under the provisions of the Mysore Co-operative Societies Act and Rules thereunder, or in any way acts, with the same intent, prejudicially to the best interests of the Society,]

Provided that

(a) the Registrar shall give such officer a full opportunity to explain his conduct;

(b) the committee of the Society concerned shall also be heard or given a reasonable opportunity of being heard in the matter;

(c) the objection to the continuance of such officer shall be recorded in full and communicated to the committee of the Society and the officer concerned; and

(d) an appeal from the officer affected shall lie to Government within one month from the date of receipt of such order of the Registrar by him."

A. K. Rangarao

Hon. Secretary.

MYSORE

Dated 12-3-1944.

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3. A.F. 3220-0.0.

17-41-48 dated 12.12.1948, calling for objections to the proposed draft revised Rule 81 for the rules under the same subject, passed on 7.12.1948, and the following are the points for the proposed draft.

The draft rule may be adopted as is. The
Board for the first time. The resolution is the basis
of the Board for the first time. Board 7. 1911. The Board
of the Committee on the first time. They do not
have for the first time. The resolution is
the basis for the first time. The resolution is
the basis for the first time. The resolution is
the basis for the first time.

Further an appeal or an agitation by the
dissenting director against the resolution
of the board of directors may technically
be brought within the purview of mischief
of the phrase. For these and other reasons the
Committee has it of opinion that the phrase
should be deleted.

Thanking you,

Your faithful ally,
For The Porto City Commission
Business Society, Ltd. Mysore.

[Signature]
HONORARY SECRETARY



D. 14-6-1944.

Notification

G. R. S. App. F. G. 3.

GENERAL AND REVENUE
SECRETARIAT.

(Continuation sheet draft form).

In exercise of the powers
Vested in them by Section
44 (2)(g) of the Mysore
Co-operative Societies Act
VII of 1918, as amended
from time to time, the
Govt of His Highness the
Maharaja are pleased to
substitute the following
rule, for the existing rule
21, of the Rules under
the aforesaid Act in
regard to the removal
of an Officer of a
Co-operative Society from
his office, the draft rule
in this behalf having
been published on 11th
January 1944 in the
Mysore Gazette of the 1st

10/6/44
13/6

53

January 1944 at pages 12 and
13 of part IV of the Gazette.

Substitute the following for
the existing rule 21:-

It shall be open to the
Registrar to order the removal
of any officer of a society
if he is found to have
acted or to be acting fraudulently
or with gross negligence
or in contravention of the
byelaws, and subsidiary
rules of the society or without
the sanction of the Committee
of Management when such
sanction is necessary or contrary
to the resolution of the
Committee of Management
or against the lawful written
orders issued under the
provisions of the Mysore Co-operative Societies

GENERAL AND REVENUE
SECRETARIAT.

(Continuation sheet draft form).

Act and Rules thereunder⁵⁴
or in any way prejudicial
to the best interests of the
Society,

provided that (a) the
Registrar shall give such
officer a full opportunity
to explain his conduct;
(b) the Committee of Manage-
ment of the Society concerned
shall also be heard or
given a reasonable
opportunity of being heard
in the matter, (c) the
objections to the continuance
of such officer shall be
recorded in full and
communicated to the
Committee of the Society
and the officer concerned
and (d) an appeal by
the officer affected.

to Govt Within one month
from the date of Receipt
of such order of the
Registrar by him.

By order

^{by}
^{st. fs}
Secretary to Govt
~~Gen. Secy~~
Gen. Secy

To
ed e Compiler Mysore Gazette for
publication in part IV of the
Gazette With a Request that
50 copies of the Notification
may be sent to the Registrar
of Co-operative Societies in Mysore
and 25 copies to Govt.

A.F. 5992.

D. 14-6-44.

Copies of the Notification
to the Registrar
of Co-operative Societies

~~done~~
30/5/44
46